

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



Director, Program Policy Division  
Bureau of Policy and Federal Affairs  
Medical Services Administration

<b>Project Number:</b>	0364-THC	<b>Comments Due:</b>	November 5, 2003	<b>Proposed Effective Date:</b>	January 1, 2004
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**Policy Subject:** Tribal Health Centers—Place of Service

**Affected Programs:** Medicaid

**Distribution:** Tribal Health Centers (THCs) and Federally Qualified Health Centers (FQHCs)

**Policy Summary:** The proposed policy would permit THC covered services provided "through" the THC to American Indians/Alaska Natives to be reimbursed at the Indian Health Service (IHS) THC encounter rate. This would replace language that states the encounter rate would be paid only for services provided "at" the THC.

This policy also clarifies that the term "Tribal Health Center" includes those additional Tribal facilities (as authorized by the IHS 638 agreement between IHS and the tribal facilities) where Medicaid-covered health care services are provided to Medicaid-eligible American Indians/Alaska Natives.

# Proposed Policy Draft

Michigan Department of Community Health  
Medical Services Administration

**Distribution:** Tribal Health Centers and Federally Qualified Health Centers

**Issued:** XXXXXXXX

**Subject:** Tribal Health Center Appendix

**Effective:** XXXXXXXX

**Programs Affected:** Medicaid

The purpose of this bulletin is to propose a change in the Michigan Medicaid program policy for Tribal Health Centers (THC) addressing "Place of Service." Upon implementation of this change, THC services provided "through" a Medicaid-enrolled Tribal 638 facility to Medicaid-eligible American Indians/Alaska Natives may be reimbursed at the THC Indian Health Service (IHS) Memorandum of Agreement (MOA) encounter rate. Current policy states that the services must be provided "at" the THC to receive this rate.

To be eligible for the IHS encounter rate, services must be provided by employees of the THC or by contracted providers rendering Medicaid-covered THC facility services. Services rendered by non-Indian Health Service professionals who are not employed or contracted by the THC or to whom referrals have been made are not considered services provided "through" the THC.

For clarification purposes and dependent upon the contingency listed below, the term Tribal Health Center includes those additional tribal facilities (as authorized by the IHS 638 agreement between IHS and the tribal facilities) where Medicaid-covered health care services are provided to Medicaid-eligible American Indians/Alaska Natives.

The above changes will not be implemented until the Michigan Department of Community Health, Medical Services Administration receives written confirmation from the Centers for Medicare and Medicaid Services (CMS) stating services provided through the THCs will be reimbursed with 100% FMAP.

## Manual Maintenance

Retain this bulletin for future reference.